



CITY OF DURHAM | DURHAM COUNTY
NORTH CAROLINA



Date: November 19, 2012

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Steven L. Medlin, AICP, Planning Director
Subject: Coordinated Annexation Agenda Item for Southpoint Trails

Executive Summary. A request for utility extension agreement (EA), voluntary annexation, and initial zoning has been received from 751, LLC for the Southpoint Trails development. The site is located on the west side of NC 751, north of Stagecoach Road (please see Attachment 3B for a project area context map).

The applicant in this case has requested an initial zoning designation of Rural Residential (RR), which would allow up to 32 single-family houses. A zoning map change to a Planned Development Residential (PDR) 6.04 designation, which would allow for up to 164 townhomes on this 27.18 acre site, will be considered separately. The current County zoning (RR – County jurisdiction) would allow approximately 27 single-family houses on well and septic systems.

This memorandum provides a coordinated agenda item for the above-referenced requests, pursuant to the coordinated annexation policy adopted by Council October 15, 2012.

Three separate motions from Council are required by law to approve the utility extension agreement, voluntary annexation petition, and initial zoning map change.

Recommendation. The administration recommends approval of the EA, voluntary annexation petition and initial zoning, allowing a maximum of 32 single family homes.

Issues and Analysis. This request involves three separate items: utility extension agreement, voluntary annexation, and initial zoning. Each item will be reviewed below:

Utility Extension Agreement

Water service would be provided by extending two waterlines from the project and connecting to the existing 16-inch waterline in NC 751. Sewer service would be provided by extending a sanitary sewer line from the project and connecting to the existing sanitary sewer in NC 751.

Existing sewer and water capacity is adequate to serve the proposed use and density. The proposed utility service is consistent with the land use designation of the subject property.

Attachment 1A provides the draft EA that would be required if Council wishes to approve the extension of utilities.

Voluntary Annexation Petition

The Administration is requesting the Council conduct a public hearing and consider annexation of the subject property with an effective date of November 19, 2012. The public hearing will be held in compliance with N.C. General Statute 160A-58.2.

Annexation would require the provision of City services to the subject property. Fire Department services are already below desired levels of service in this part of the City. Any new Fire Department service without funding of additional service capacity in this part of the City will exacerbate the existing level of service deficiency.

Attachments 2G and 2H (Cost/Benefit Analyses) provide additional details on capital improvements and capacity upgrades requested by the Fire Department to meet level of service standards for response time in this part of the City.

Initial Zoning

State Statutes (General Statute 160A-360) require that a municipality annexing land place its zoning designation on the property within 60 days of the effective date of the annexation. Staff is recommending an initial zoning designation of Rural Residential (RR) on the property, which would allow a maximum of 32 single family homes for the specified acreage. The RR zoning district is the least intense residential zoning district permitted in the Suburban Tier.

Alternatives. The City Council could deny the extension agreement and voluntary annexation petition. No action would be required or authorized on the initial zoning.

Financial Impact. The Department of Water Management has estimated life-cycle costs described in Attachment 1C. In summary, 64% of water and sewer revenues support ongoing operational costs and 36% of revenues are dedicated to capital improvement projects to address future infrastructure needs.

A cost benefit analysis detailing the impact on the General Fund is attached which provides additional details through FY2023-24, including CIP expenses (see Attachment). The analysis projects estimated revenues will exceed estimated expenditures within the 2 year build-out window.

The estimated annual General Fund revenues generated from this one annexation area under requested zoning at build out in FY2016-17 would be \$103,676. The estimated annual expenditures associated with providing City services at build out in FY2016-17 would be \$56,515. The estimated annual net gain to the City at build out in FY2016-17 would be \$47,162. The cumulative estimated net gain to the City at build out in FY2016-17 would be \$134,733.

CIP expenses include:

1. Proportional cost of \$29,300 (0.74%) for a new Fire Station at a total cost of \$3,960,000.

2. Transportation costs totaling \$6,972,000 for a 0.9 mile road widening project on Highway 751.

SDBE Summary. This item has no known SDBE impact.

Attachments

Utility Extension Agreement Documents

- Attachment 1A: Utility Extension Agreement
- Attachment 1B: Utility Context Map
- Attachment 1C: Estimated Utility Life Cycle Costs

Annexation Documents

- Attachment 2A: Annexation Summary Table
- Attachment 2B: Annexation Ordinance
- Attachment 2C: Clerk Certification
- Attachment 2D: Legal Description
- Attachment 2E: Annexation Context Map
- Attachment 2F: Cost / Benefit Analysis

Initial Zoning Documents

- Attachment 3A: Initial Zoning Map Change Report
- Attachment 3B: Initial Zoning Map Change Context Map
- Attachment 3C: Initial Zoning Map Change Aerial Photography
- Attachment 3D: Planning Commission Resolution Regarding Initial Zonings
- Attachment 3E: Initial Zoning Ordinance